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SUPERIOR COURT OF WASHINGTON IN AND FOR SKAGIT COUNTY

FIRST SAVINGS BANK NORTHWEST,  
  
Petitioner/Plaintiff  
  
vs.  
  
GRANDVIEW'S BURLINGTON HILL, LLC and  
SCOTT T. WAMMACK,  
  
Respondent/Defendant(s).

NO. 11-2-00075-6

DECLARATION OF KEVIN  
HANCHETT IN SUPPORT OF  
MOTION FOR ORDER  
ABANDONING PROPERTY,  
APPROVING ACCOUNTING,  
DISCHARGING GENERAL  
RECEIVER AND TERMINATING  
CASE

KEVIN HANCHETT declares:

1. I am over the age of 18 years, am a citizen of the United States, have personal knowledge of all matters stated in this declaration, and am competent to testify to the same. I am a principal with Resource Transition Consultants, LLC's ("RTC") and make this declaration in support of RTC's motion to discharge RTC as general receiver.

2. Pursuant the Order Appointing General Receiver dated February 2, 2011 (the "Order"), Resource Transition Consultants, LLC ("RTC") was appointed general receiver to take charge over all the property of the Defendant, Grandview's Burlington Hill, LLC.

DECLARATION OF KEVIN HANCHETT IN SUPPORT OF  
MOTION TO TERMINATE RECEIVERSHIP AND DISCHARGE  
RECEIVER- 1

RESOURCE TRANSITION CONSULTANTS, LLC  
144 RAILROAD AVENUE, SUITE 310  
EDMONDS, WA 98020  
PHONE: (425) 678-8162

ORIGINAL

1           3.       Since its appointment, RTC investigated the assets of the Defendant. The Property  
2 was listed and exposed to the market for an extended period of time. The Property is the former  
3 site of a talc and asbestos mine. Because of the naturally occurring asbestos on the Property, all  
4 potential buyers rejected feasibility after investigating the potential use of the Property.  
5 Accordingly, the Property has no liquidation value. .

6  
7           4.       Pursuant to RCW 7.60.150, the receiver upon order of the court following notice  
8 and a hearing, and upon the conditions or terms the court considers just and proper, may abandon  
9 any estate property that is burdensome to the receiver or is of inconsequential value or benefit.  
10 Because of the asbestos issues, RTC requests a court order abandoning the remainder of the  
11 assets of the case as burdensome and of inconsequential value.

12  
13           5.       Pursuant to the RCW 7.60.290, upon distribution or disposition of all property of  
14 the estate, or the completion of the receiver's duties with respect to estate property, the Receiver  
15 shall move the Court to be discharged. RCW 7.60.290 provides that the Receiver shall file a  
16 final report and accounting setting forth all receipts and disbursements of the estate which shall  
17 be annexed to the petition for discharge and filed with the court. Upon approval of the final  
18 report, the court shall discharge the Receiver. The Receiver's discharge releases the Receiver  
19 from any further duties and responsibilities as receiver under RCW 7.60 et. seq." Attached hereto  
20 is a final report and accounting setting forth all receipts and disbursements in this case.  
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I declare under penalty of perjury under the laws of the State of Washington that the foregoing is true and correct.

Signed and dated this 9 day of December, 2014 at Edmonds, Washington.



Kevin Hanchett

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IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON  
COUNTY OF SKAGIT

FIRST SAVINGS BANK  
NORTHWEST,

Plaintiff,

v.

GRANDVIEW'S BURLINGTON HILL,  
LLC and SCOTT T. WAMMACK,

Defendants.

NO. 11-2-00075-6

GENERAL RECEIVER'S FINAL  
FINANCIAL REPORT

Resource Transition Consultants, LLC ("RTC") the court appointed Receiver herein, and files the final financial reports through the month of November, 2014. RTC was appointed as general receiver on February 2, 2011. RTC is maintaining a schedule of income and expenses, a copy of which is attached hereto.

DATED this 9 day of December, 2014.

RESOURCE TRANSITION CONSULTANTS LLC



Kevin P. Hanchett, Member WSBA No. 16553



**RECEIVERSHIP FINANCIAL SUMMARY**  
as of 11/30/2014

**Bank:** First Savings Bank Northwest  
**Property:** Heights at Burlington  
**Effective Date of Receivership:** 2-Feb-11

**Balance Sheet as of 11/30/2014**

**Assets:**

Cash - Trust Account	\$	-
Estimated Net Liquidation Value	\$	143,269.65

<b>Total Assets:</b>	\$	143,269.65
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**Liabilities:**

First Mortgage balance (1)	\$	4,812,319.86
Bank funds advanced to complete project	\$	132,108.13

<b>Total First Mortgage balance</b>	\$	4,944,427.99
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Estimated Remaining Costs to Complete	\$	6,589.20
Bank First Mortgage legal and expenses	\$	93,054.89
Bank First Mortgage interest due	\$	1,057,556.23
Bank First Mortgage late charges	\$	-

<b>Total Liabilities:</b>	\$	6,101,628.31 *
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<b>Equity:</b>	\$	(5,958,358.66)
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**Notes:**

(1) If there are other secured creditors of the debtor. The receiver will not be evaluating those claims unless there are excess proceeds beyond the payment of the senior secured debt.

(\* ) Accrued interest pending confirmation

**Profit and Loss for the period 2/2/2011 - 11/30/2014:**

Sales	\$	-
Less: Cost of Sales	\$	-
Less: Allocated Asset Costs	\$	-
<b>Net Income</b>	\$	-

<b>Sold Property</b>	<b>Close Date</b>	<b>Sales Price</b>	<b>Net Proceeds</b>
<hr/>			
<b>Total</b>		\$ -	\$ -



**RECEIVERSHIP FINANCIAL SUMMARY**  
as of 11/30/2014

Bank: First Savings Bank Northwest  
 Property: Heights at Burlington  
 Effective Date of Receivership: 2-Feb-11

**Pending Sales:**

**Unsold:**

Multi-Family Lots , 4 Single Family Lots \$ 200,000

\$ 200,000

<b>Total Pending and Unsold:</b>		\$	200,000
<b>Less Estimated Costs of Sales:</b>		\$	200,000
RTC & Broker Fees @	6.000%	\$	(12,000)
Excise Tax @	1.780%	\$	(3,560)
Title, escrow, closing	0.500%	\$	(1,000)
<b>Total Est. Costs of Sales</b>	<b>8.280%</b>	\$	<b>(16,560)</b>
<b>Less Unpaid Real Estate Taxes</b>		\$	<b>(40,170)</b>
<b>Net Liquidation Value</b>		\$	<b>143,270</b>



## RECEIVERSHIP FINANCIAL SUMMARY

as of 11/30/2014

**Bank:** First Savings Bank Northwest  
**Property:** Heights at Burlington  
**Effective Date of Receivership:** 2-Feb-11

### Skagit County Real Estate Taxes Paid and Due

Property	Parcel #	Tax 2012 First Half Due	Tax 2012 Paid	Tax 2012 Second Half Due	Tax 2012 Paid	Tax 2013 Due	Tax 2013 Paid	Tax 2014 Due	Tax 2014 Paid	Tax Due
Lot 50	P117085	\$ -	\$ -	\$ -	\$ -	\$ 10,491.94	\$ -	\$ 9,502.46	\$ -	\$ 19,994.40
Lot 51	P117086	\$ -	\$ -	\$ 3,930.48	\$ -	\$ 8,524.71	\$ -	\$ 7,720.76	\$ -	\$ 20,175.95

**Total Real Estate Taxes Due**

**\$ 40,170.35**



**RECEIVERSHIP BILLING**

Billing Date: 12/04/2014


To: First Savings Bank Northwest  
Attn: James Young

Property: Heights at Burlington

Effective Date of Receivership: 2-Feb-11

**INVOICE SUMMARY**

	BUDGET AMT	TOTAL BILLING	CURRENT BILLING	TOTAL BILLING	CONTRACT REM
Development Costs	\$ 58,697.33	\$ 57,696.07	\$ 646.85	\$ 58,342.92	\$ 354.41
RTC Receivership Fees	\$ 78,000.00	\$ 72,500.00	\$ -	\$ 72,500.00	\$ 5,500.00
Reimbursable Expenses - RTC	\$ 2,000.00	\$ 1,912.06	\$ -	\$ 1,912.06	\$ 87.94
<b>TOTAL AMOUNT PAYABLE TO RTC</b>	<b>\$ 138,697.33</b>	<b>\$ 132,108.13</b>	<b>\$ 646.85</b>	<b>\$ 132,754.98</b>	<b>\$ 5,942.35</b>

  
Authorized Signature of Receiver

Please mail payments to:  
Resource Transition Consultants, LLC  
144 Railroad Avenue, Suite 310  
Edmonds, WA 98020